

14 November 1985


MEMORANDUM FOR: FBIS/Contracting Officer  
FROM: Chief, Field Engineering Division  
SUBJECT: Sole Source for Foreign INTERNET Terminals

1. The initial INTERNET configuration will consist of nodes located in Washington, D. C., England, and Panama. Construction and operation for the Washington terminal was competed and a contractor selected in accordance with the Federal Acquisition Regulations (FAR). In the case of Panama and England, the situation is significantly different and requires a sole source to COMSAT.

2. In the Panamanian case, the signatory to the INTELSTAT agreement, INTERCOMSA, has taken the position that they will only deal with COMSAT for the construction of the earth terminal. This was verified by FBIS officials in a series of face to face meetings. Since there is no alternative, COMSAT has prepared a bid, received concurrence from INTERCOMSA and established the operation and maintenance costs necessary for this service.

3. In the British case, the INTELSTAT signatory, British Telecom International (BTI), has taken the position that they alone will construct the terminal and operate it to our specifications. This position was also verified by FBIS officials at face to face meetings. The costs involved are for the service required to perform the INTERNET functions. COMSAT has received from BTI their charges and has presented them to FBIS.

4. Since both countries have taken positions which eliminate the possibility of competition, FBIS has no option but to conform to their wishes. Utilizing COMSAT as the focal point for these actions is consistent with their role as system integrator and makes the management of the entire program more efficient.

  
Harry R. Wood

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